

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION II 26 FEDERAL PLAZA NEW YORK. NEW YORK 10278

JUT 20 1988

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Edward J. Masek, Esquire Senior Counsel Maxus Energy Corporation 717 North Harwood Street Dallas, Texas 75201

(For Maxus Energy Corporation and Chemical Land Holdings, Inc.)

Re: Diamond Alkali Superfund Site (80 and 120 Lister Avenue)
Newark, New Jersey

Dear Mr. Masek:

This letter is intended to formally notify you of the potential liability that Maxus Energy Corporation and Chemical Land Holdings, Inc., a wholly-owned subsidiary of Maxus Energy Corporation, may incur or may have incurred with respect to the Diamond Alkali Superfund Site under the Comprehensive, Environmental Response, Compensation, and Liability Act of 1980, as amended ("CERCLA"), 42 U.S.C. § 9601 et seq.

As you know, EPA has documented the release and threatened release of hazardous substances, pollutants or contaminants into the environment at the Diamond Alkali Superfund Site, located in Newark, New Jersey, and has spent, and is planning to spend, public funds on actions to investigate and control such releases and threatened releases.

On September 30, 1987, the Regional Administrator of EPA Region II issued a Record of Decision for the 80 and 120 Lister Avenue portions of the Diamond Alkali Superfund Site, which describes the components of the remedial action selected for this property. The State of New Jersey concurred in the remedial alternative selected by EPA. The components of the remedial action selected are set forth in the Record of Decision, a copy of which was previously made available to you.

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EPA and the State of New Jersey understand that you are willing to enter into an agreement to fund and implement the components of the remedial alternative selected under the Record of Decision for the 80 and 120 Lister Avenue properties. CERCLA requires that any such agreement be memorialized in a judicial consent decree. On September 25, 1988, EPA provided you with a proposed decree on behalf of both the United States and the State of New Jersey. However, in the event an agreement providing for the implementation of the selected remedial alternative by private parties is not concluded, EPA may perform these actions pursuant to the authority of Section 104 of CERCLA.

Under Sections 106 and 107(a) of CERCLA, Section 7003 of the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6901 et seq., and other laws, certain parties, commonly referred to as potentially responsible parties ("PRPs"), may be obligated to implement response actions which EPA deems necessary to protect the public health, welfare or the environment, and may be held liable for those costs incurred by the government in responding to any release or threatened releases at a Superfund site. Such actions and costs may include, but are not limited to, expenditures incurred in connection with the conduct of a Remedial Investigation/Feasibility Study, the conduct of Remedial Design/Remedial Action, and other investigation, planning, response and enforcement activities.

This letter constitutes official notification of EPA's determination that Maxus Energy Corporation and Chemical Land Holdings, Inc. are PRPs pursuant to Section 107(a)(1) and/or (a)(2) of CERCLA with respect to the Diamond Alkali Superfund Site, with potential liability as set forth above. EPA encourages you to voluntarily perform those response activities that have been selected for the Site, in accordance with the consent decree recently sent to your attention for review.

A complete list of PRPs that have been sent similar notitication letters is enclosed with this notice.

This notice letter is issued by EPA in accordance with the general notice provisions set forth at Section 122(a) of CERCLA. Such procedures are being followed because EPA has determined that a Section 122(e) special notice letter is inappropriate at this juncture in light of the ongoing nature of Federal and State discussions with PRPs with respect to the conduct of the selected remedial alternative.

For the record, the issuance of a Section 122(e) special notice letter is discretionary, and may be utilized at a subsequent point if EPA determines that the use of such procedures will facilitate an agreement and expedite remediation of this Site. Use of the special notice procedures triggers a moratorium on certain EPA activities at the Site, providing a limited period of time during which EPA and PRPs may engage in formal negotiations for private party conduct or financing of response activities.

You are further advised that EPA has established an administrative record for this matter containing those documents which, together, form the basis of EPA's decision on the selection of remedy. This record is open to the public for inspection at the following locations:

United States Environmental Protection Agency Region II Emergency & Remedial Response Division 26 Federal Plaza New York, New York 10278 Contact: Mr. Jonathan Josephs, (212) 264-8098

State of New Jersey Department of Environmental Protection
401 East State Street
Trenton, New Jersey 08625
Contact: Mr. Michael Schuit, (609) 292-2906

Newark Public Library
5 Washington Street
Newark, New Jersey
Contact: EPA Administrative Record
Coordinator-Diamond Alkali

If you or your representative have any questions pertaining to this notice, please direct these to Randye B. Stein, Esquire, Assistant Regional Counsel, Office of Regional Counsel, United States Environmental Protection Agency, Region II, 26 Federal Plaza, New York, New York 10278, Telephone No.: (212) 264 - 3277.

Sincerely,

Stephen D. Luftig Director Emergency & Remedial Response Division

Enclosure

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bcc: Richard F. Engel, Esq.
State of New Jersey - Division of Law

Joyce Rechtschaffen, Esq. U.S. Department of Justice

Michael Schuit, Esq. New Jersey Department of Environmental Protection

Jonathan Josephs, ERRD-SC VCathy Moyik, ERRD-PS

List of

General Notice Letter Recipients

 Chemical Land Holdings, Inc. c/o Maxus Energy Corporation 717 North Harwood Street Dallas, Texas 75201

Attention: Edward J. Masek, Esquire

Maxus Energy Corporation 717 North Harwood Street Dallas, Texas 75201

Attention: Edward J. Masek, Esquire

3. Occidental Chemical Corporation 5005 L. B. Johnson Freeway Dallas, Texas 75244

Attention: Ray R. Irani, Chairman of the Board